U.S. Department of Labor

Employment Standards Administration

Office of Labor-Management Standards
Buffalo District Office
1310 Dulski Federal Building, 111 W. Huron Street
Buffalo, NY 14202-2301

Telephone: (716) 551-4976 Facsimile: (716) 551-4978 E-mail: DOLOLMS@Buffalo.com

January 31, 2001

Office of General Counsel Federal Election Commission 999 E Street, NW Washington, DC 20463 PRE-MUR # 398

2001 FEB -b A 11: 0

Re:

Electrical Workers, IUE, AFL-CIO

Local Union #323 Rochester, NY

File #120-08223(77)

Dear Sir:

This office of the U.S. Department of Labor, the Office of Labor-Management Standards (OLMS) recently conducted an investigation of the above referenced labor union under the Labor-Management Reporting and Disclosure Act of 1959, as amended, (LMRDA)

Our investigation found that IUE, Local Union #323 made a \$100.00 donation to Louise Slaughter re-election fund on September 26, 2000. That donation was made from the union's general fund. Ms. Slaughter was a candidate for the House of Representatives in the 2000 election.

It is my understanding that such a payment from a labor union's general fund is prohibited and as such I am referring this matter to your attention.

If you have any questions on this matter or if you any additional information, please feel free to contact me.

Sincerely,

Joseph S. Wasik
District Director

Enclosures

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U.S. Department of Labor Office of Labor-Management Standards

FORM LM-3 ABOR ORGANIZATION AN

Form approved
Office of Management

LMS/DRD yand Budget LMS/DRD-No. 1215-0188 Expires 11-30-2002

Washington PB (3021)

FOR USE BY LABOR ORGANIZATIONS WITH LESS THAN \$200,000 IN TOTAL ANNUAL RECEIPTS

MAH 1 3 2000

BID 0	onne l	LESS THAN \$200,000	ד או כ	OTAL ANNUAL RECEIPTS
				in criminal prosecution, fines, or civil penalties as provided by 29 U.S.C. 439 or 440.
		CAREFULLY BEFORE PRE	PARIN	G THIS REPORT. SUBMIT THIS REPORT IN DUPLICATE.
MRORTANDOE	The second secon			1. FILE NUMBER 029 525
f a label is here,	SAM AUG			2. PERIOD MO DAY YR CIO O1B From 1 1 99 Through 12 31 99 3. If your organization ceased to exist and this is its terminal report, see Section XII of the instructions and
place it in the same box on	ELECTRIC	CAL WORKERS I	UE/	CIU OIB From 1 1 99
he second copy of the form.	LU 0032;	3		Through 12 31 99
if tabel information is correct, leave Items 4 through 8 blank	BUCHEST	BEND DRIVE		3. If your organization ceased to exist
K label Information is incorrec	MOCHESTE	TO NY 14612	BLA	3. If your organization ceased to exist and this is its terminal report, see Section XII of the instructions and check here:
complete Herns 4 through 8.		BEND DRIVE R, NY 14612/		check here:
A. AFFILIATION OR C				8. MAILING ADDRESS
APPILIATION ON C	MGANIZALION NAME			(in care of) NAME AND TITLE OF PERSON
5. DESIGNATION (Lo	cai, Lodge, etc.)	6. DESIGNATION NUM	IBER	NUMBER AND STREET
J. UNIT NAME (If any)	.		BUILDING AND ROOM NUMBER (If any)
		mallian address O. Man	A)-	0777
9. Are your organizati ii: (If "No," provide ad	on's records kept at its dress in item 56.)	mailing address? Yes	No	CITY STATE ZIP CODE
			_اساب	
a a	DU			DD DID YOUR ORGANIZATION:
·3·-1	organization" as define structions?		X	15. Discover any loss or shortage of funds or other property? Yes No
! Li		***************************************	uzi	(Answer "Yes" even if there has been repayment or recovery.)
or other fund or or	ite in the administration ganization, as defined i	n the		16. Have any officer who was paid \$10,000 or more
instructions, which	provides benefits for mea?	nembers 🔲	X	by your organization and also received \$10,000
12. Have a political ac				or more as an officer or employee of another labor organization or of an employee benefit plan?
		🗖	X	17. Pay any employee salary, allowances, and other
13. Acquire or dispose	of any goods or prope	rty in	×	expenses which, together with any payments from affiliates, totaled more than \$10,000?
•	than by purchase or sa		-	
	eview of its books and a cuntant or by a parent b		_	18. Have loans totaling more than \$250 to any officer, employee, or member, or make any loans to a
auditor/represents	itive?		Z	business enterprise?
(if the a	nswer to any of the abo	ve questions is "Yes," pro	vide de	etails in Item 58 as explained in the instructions for each item.)
19. How many memb at the end of the	ere did yeur organizatio reporting period?	n have	\neg	22. What is the date of your organization's next regular election of officers?
	num amount recoverabl	**************************************		Month Year
your organization	's fidelity bond for a loss	caused & 30000		23. What are your organization's rates of dues and fees? (Enter a minimum and maximum if more than one rate applies for any line.)
	employee of your organi			Rates of Dues and Fees
	ing period, did your orga s in its constitution and		No	(a) Regular Dues/Fees \$ 26.9+ per Horrita
(other than rates	of dues and fees) or in	<u> </u>	X	(b) Initiation Fees \$ 20.00 (month, year, etc.)
buscinces/buocedr	res listed in the instruc	DONS?		(c) Transfer Fees \$
(If the constitution	n and bylaws have char	iged, attach two new date anged, see the instruction	d .	
copies. Il practic	oorprovouuroo nave CRE		æ.j	(d) Work Permits perper
submitted in this repo	ort (including the informa	ation contained in any acc	ompar	ation, declares, under the applicable penalties of law, that all of the information nying documents) has been examined by the signatory and is, to the best of the
undersigned's knowle	edge and belief, true, co	prrect, and complete. (Se	e Sect	tion VI on penalties in the instructions.)

PRESIDENT

see instructions)

(If other title,

274-5691

Telephone Number

58, SIGNED:

3-8-00

Date

716

57. SIGNED

3/8/60

.TREASURER (If other litle,

see instructions)

274-8691

Telephone Number

24. ALL OFFICERS AND DISBURSEMENTS TO OFFICERS

Name (List all persons who held office during the reporting period even if they received no salary or other disbursements.) (A)	Title (8)	Status N - New P - Past C - Continuing (C)	Gross Salary (before taxes and other deductions) (D)	Allowances and Other Disbursements (E)	Total (F)
(a) Salvatore Augello	Pres	C	94	950	1044
(b) Robert Schreiner	VP	C	44	<i>u</i> 50	694
(c) Kerin Ingham	Sea	C	44	800	844
(d) Richard Roth	Treas	C	-	800	800
(e) Bernard Stoppe	Shop Ch	C	695	800	1495
(f)					
(g) Totals from additional pages (if any)					
(h) Totals of Lines (a) through (g)	877	4000	4877		
	(i) Less Deductions		131		
Enter the Total from Line (j) in Item 45	(j) Net Disbursements		4746		

STATEMENT A — ASSETS AND LIABILITIES

ASSETS Item	Start of Reporting Period (A)	End of Reporting Period (B)	LIABILITIES Item	Start of Reporting Period (C)	End of Reporting Period (D)
25. Cash	70591	.59516	32. Accounts Payable		
26. Loans Receivable		•	33. Loans Payable		
27. U.S. Treasury Securities			34. Mortgages Payable		
28. Investments			35. Other Liabilities	42	9
29. Fixed Assets	259	155	36. TOTAL LIABILITIES	42	9
30. Other Assets	250	1010	37. NET ASSETS		
31. TOTAL ASSETS	71100	66639	(Item 31 less Item 36)	T1058	66630

STATEMENT B — RECEIPTS AND DISBURSEMENTS

Item CASH RECEIPTS	AMOUNT	Item CASH DISBURSEMENTS	AMOUNT
38. Dues	40636	45. To Officers (from Item 24)	4746 21845
41. Interest & Dividends	3024	48. Office & Administrative Expense	6094 8050
If total receipts reported in Item 44 are \$200	47.777	51. Contributions, Gifts & Grants	200
your organization must file Form LM-2 instea	d of this form.	54. Other Disbursements	9917 58852

56. ADDITIONAL INFORMATION	(If more space is needed, attach additional pages properly identified.)
Item Number	
1	

Form LM-3 (Revised 1994)

Page 2 of 2

U.S. Department of Labor

Employment Standards Administration Office of Labor-Management Standards



The Labor-Management Reporting and Disclosure Act

The Labor-Management Reporting and Disclosure Act of 1959, as amended (LMRDA), grants certain rights to union members and protects their interests by promoting democratic procedures within labor organizations. The Act establishes a Bill of Rights for union members; reporting requirements for labor organizations, union officers and employees, employers, labor-relations consultants, and surety companies; standards for the regular election of union officers; and safeguards for protecting labor organization funds and assets. Unions representing Federal employees are similarly covered by the implementing regulations of the standards of conduct provisions of the Civil Service Reform Act of 1978. Unions representing solely state, county, and municipal employees are not covered by either of these laws.

The Secretary of Labor enforces certain provisions of the LMRDA and has delegated that authority to the Office of Labor-Management Standards (OLMS) of the Department of Labor's Employment Standards Administration. Other provisions may only be enforced by union members through a private suit in a Federal district court. Outlined below are the major provisions of the LMRDA.

Title I - Bill of Rights of Union Members

- Union members have equal rights to nominate candidates for union office, vote in union elections, and participate in union meetings. They may also meet with other members and express any opinions.
- ▶ Unions may impose assessments and raise dues only by democratic procedures. In addition, unions must afford members a full and fair hearing of charges against them.
- Unions must inform their members about provisions of the LMRDA.
- Members may enforce Title I rights through a private suit against the union, but may be required to exhaust internal union remedies for up to four months.
- ▶ Union members and nonunion employees have the right to receive or to inspect collective bargaining agreements. This right may be enforced by a union member or by the Secretary of Labor.

Title II - Reporting Requirements

- Unions must file information reports, constitutions and bylaws, and annual financial reports with OLMS.
- Officers and employees of labor unions must report any loans and benefits received from, or certain financial interests in, employers whose employees their unions represent and businesses that deal with their unions.
- ► Employers and labor-relations consultants who engage in certain activities to persuade employees about their union activities or to supply information to the employer must file reports.
- Surety companies which issue bonds required by the LMRDA or the Employee Retirement Income Security Act of 1974 must report data such as premiums received, total claims paid, and amounts recovered.
- ► The Secretary of Labor has authority to enforce the reporting requirements of the Act.
- ► The reports and documents filed with OLMS are public information and any person may examine them or obtain copies at OLMS offices.
- Filers must retain the records necessary to verify the reports for at least five years.
- ▶ Unions must make reports available to members and permit members to examine records for just cause.

Title III - Trusteeships

- ► A parent union which places a subordinate body under trusteeship must file initial, semiannual, and terminal trusteeship reports.
- ► A trusteeship may only be imposed for the purposes specified in the LMRDA and must be established and administered in accordance with the constitution and bylaws of the labor organization which has imposed the trusteeship.
- ► A parent union which imposes a trusteeship may not engage in specified acts involving the funds and delegate votes from a trusteed union.
- ► The Secretary of Labor has authority to investigate alleged violations of this Title. A union member or a subordinate labor organization may also enforce Title III provisions except for the reporting requirements.

Title IV - Elections

- Local unions must elect their officers by secret ballot; international unions and intermediate bodies must elect their officers by secret ballot vote of the members or by delegates chosen by secret ballot.
- International unions must hold elections at least every five years, intermediate bodies every four years, and local unions every three years.
- Unions must comply with a candidate's request to distribute campaign material to members at the candidate's own expense and must also refrain from discriminating against any candidate with respect to the use of membership lists. Candidates have the right to inspect a list containing the names and addresses of members subject to a union security agreement within 30 days prior to the election.
- ► A member in good standing has the right tonominate candidates, to be a candidate subject to reasonable qualifications uniformly imposed, to hold office, and to support and vote for the candidates of the member's choice.
- Unions must mail a notice of election to every member at the member's last-known home address at least 15 days prior to the election.
- A member whose dues have been withheld by an employer may not be declared ineligible to vote or to be a candidate for office by reason of alleged delay or default in the payment of dues.
- Unions must conduct regular elections of officers in accordance with their constitution and bylaws and preserve all election records for one year.
- Union and employer funds may not be used to promote the candidacy of any candidate. Union funds may be utilized for expenses necessary for the conduct of an election.
- Union members may hold a secret ballot vote to remove from office an elected local union official guilty of serious misconduct if the Secretary of Labor finds that the union constitution and bylaws do not provide adequate procedures for such a removal.
- Union members who have exhausted internal union election remedies or who have invoked such remedies without obtaining a final decision within three calendar months after their invocation may file a complaint with the Secretary within one calendar month thereafter.

The Secretary of Labor has authority to file suit in a Federal district court to set aside an invalid election and to request a new election under the supervision of the Secretary and in accordance with Title IV.

Title V - Safeguards for Labor Organizations

- Officers have a duty to manage the funds and property of the union solely for the benefit of the union in accordance with its constitution and bylaws.
- A union officer or employee who embezzles or otherwise misappropriates union funds or other assets commits a Federal crime punishable by a fine and/or imprisonment.
- ▶ Officials who handle union funds or property must be bonded to provide protection against losses.
- ▶ A union may not have outstanding loans to any one officer or employee that in total exceed \$2,000.
- A union or employer may not pay the fine of any officer or employee convicted of any willful violation of the LMRDA.
- Persons convicted of certain crimes may not hold union office or employment for up to 13 years after conviction or after the end of imprisonment.

Title VI - Miscellaneous Provisions

- Authority is granted to the Secretary of Labor to investigate possible violations of most provisions of the LMRDA (except those specifically excluded) and to enter premises, examine records, and question persons in the course of the investigation.
- A union or any of its officials may not fine, suspend, expel, or otherwise discipline a member for exercise of rights under the LMRDA.
- No one may use or threaten to use force or violence to interfere with a union member in the exercise of LMRDA rights.

Title VII - Amendments to the Taft-Hartley Act

▶ Another law, the Labor Management Relations Act (LMRA), also called the Taft-Hartley Act, is amended by the LMRDA concerning strikes, boycotts, and picketing. The LMRA is administered by the National Labor Relations Board (NLRB), an independent Federal agency.

Staff is available at all OLMS field offices to answer questions about the LMRDA and to assist union officers and others affected by the law's provisions. In addition, copies of the full text of the LMRDA, reports filed under the LMRDA, union constitutions, blank reporting forms and instructions, and explanatory pamphlets about the law may be obtained from any of the OLMS field offices located in the following cities:

•			•				•
Atlanta, GA	(404) 562-2083	Denver, CO	(303) 844-1261	Miami, FL	(305) 653-7414	Philadelphia, PA	(215) 597-4960
*Birmingham, AL	(205) 731-0239	Detroit, MI	(313) 226-6200	Milwaukee, WI	(414) 297-1501	Pittsburgh, PA	(412) 395-6925
Boston, MA	(617) 565-9880	*Grand Rapids, MI	(616) 456-2335	Minneapolis, MN	(612) 370-3111	St. Louis, MO	(314) 539-2667
Buffalo, NY	(716) 551-4976	Hato Rey, PR	(809) 766-5096	Nashville, TN	(615) 736-5906	San Francisco, CA	(415) 975-4020
Chicago, IL	(312) 353-7264	Honolulu, HI	(808) 541-2705	*New Haven, CT	(203) 773-2130	Seattle, WA	(206) 553-5216
Cincinnati, OH	(513) 684-6840	*Houston, TX	(713) 209-3135	New Orleans, LA	(504) 589-6174	*Tampa, FL	(813) 288-1314
Cleveland, OH	(216) 522-3855	Kansas City, MO	(816) 426-2547	New York, NY	(212) 337-2580	Washington, DC	(202) 254-6510
Dallas, TX	(214) 767-6834	Los Angeles, CA	(213) 252-7508	*Newark (Iselin), NJ	(908) 750-5661		

^{*}These OLMS field offices do not maintain copies of reports or union constitutions for public disclosure.

U.S. Department of Labor

Employment Standards Administration Office of Labor-Management Standards



Office of Labor-Management Standards

The Office of Labor-Management Standards (OLMS) of the U.S. Department of Labor's Employment Standards Administration is the Federal agency responsible for administering and enforcing most provisions of the Labor-Management Reporting and Disclosure Act of 1959, as amended (LMRDA). The LMRDA directly affects millions of people throughout the United States. The law was enacted by Congress primarily to ensure basic standards of democracy and fiscal responsibility in labor organizations representing employees in private industry. Unions representing U.S. Postal Service employees became subject to the LMRDA with the passage of the Postal Reorganization Act of 1970. The major provisions of the LMRDA are:

- A "Bill of Rights" for union members;
- Requirements for reporting and disclosure of financial information and administrative practices by labor unions;
- Requirements for reporting and disclosure by employers, labor relations consultants, union officers and employees, and surety companies, when they engage in certain activities;
- Rules for establishing and maintaining trusteeships;
- Standards for conducting fair elections of union officers; and
- Safeguards for protecting union funds and assets.

OLMS also administers provisions of the Civil Service Reform Act of 1978 and the Foreign Service Act of 1980 relating to standards of conduct for Federal employee unions, which are comparable to LMRDA requirements. OLMS does not have jurisdiction over unions representing solely state, county, or municipal employees. In carrying out these responsibilities, OLMS performs four types of activities.

I. Public Disclosure of Reports

While enacting the LMRDA, Congress expressed the belief that the labor-management process and union members, officers, and the public in general would benefit by having access to information about labor unions, their officers and employees, employers, labor relations consultants, and surety companies. As a result, Congress required that these individuals and entities file reports which are public information and available for disclosure at OLMS offices.

Each union subject to the LMRDA is required to file an initial information report (Form LM-1) and copies of its constitution and bylaws. In addition, unions must file annual financial reports (Form LM-2, LM-3, or LM-4) with OLMS each year.

Other entities and individuals—employers, labor relations consultants, union officers and employees, and surety companies—are required to file reports under certain circumstances specified by the LMRDA.

II. Compliance Audits

OLMS has responsibility under the LMRDA to conduct audits to determine if unions are complying with the law. The Agency's policy is to conduct all audits in an expeditious manner, and with the least possible disruption to normal union operations.

OLMS uses a streamlined audit approach called the Compliance Audit Program (CAP) to audit local unions which utilizes specialized records review and investigative techniques to verify LMRDA compliance. A companion program, the International Compliance Audit Program (I-CAP), is used by OLMS to audit national and international unions.

CAP and I-CAP allow OLMS to provide compliance assistance to union officials to help them correct problems detected during the audit and to help prevent future violations. The programs also increase communication and cooperation between OLMS and local, national, and international unions.

III. Investigations

OLMS staff conduct investigations to determine if violations of the LMRDA provisions have occurred. Investigations are initiated based on various sources such as complaints from union members; information developed by OLMS as a result of reviewing reports filed; information developed during an OLMS audit of a union's books and records; and information obtained from other government agencies. Investigations may involve civil matters (such as an election of union officers) or criminal matters (such as embezzlement of union funds).

OLMS initiates investigations of regularly scheduled union officer elections upon receipt of a timely filed complaint from a union member protesting the election. If an investigation discloses violations of the LMRDA which may have affected the outcome of the election, OLMS gives the union an opportunity to correct the violations through voluntary compliance, usually by rerunning the challenged election under OLMS supervision. If warranted, OLMS may take legal action to set aside the challenged election and order a new election under OLMS supervision.

OLMS conducts embezzlement investigations to protect and safeguard union funds and assets. OLMS must refer information it uncovers regarding possible embezzlement violations by union officers or employees to the U.S. Attorney, who decides if criminal prosecution is warranted. Persons who have been convicted of embezzlement or certain other crimes specified by the LMRDA may not hold union office or employment for up to 13 years after the conviction or after the end of imprisonment.

IV. Education and Compliance Assistance

OLMS has an active education and compliance assistance program to promote voluntary compliance with the LMRDA by informing union officers and others affected by the law of their responsibilities and by encouraging members to exercise their rights under the LMRDA. Each year OLMS conducts many educational activities, ranging from one-on-one meetings with union officers to statewide seminars for hundreds of union officials. Assistance is also provided to meet the special needs of union members, employers, consultants, and the general public. Specifically, OLMS:

- Publishes and distributes explanatory pamphlets which emphasize voluntary compliance with the LMRDA and outline the law's requirements.
- Conducts seminars and workshops about the law in general or about specific areas such as election procedures or completion of reporting forms required by the LMRDA.

- Works with international union officials to correct or prevent LMRDA violations such as delinquent reporting and inadequate bonding by affiliates.
- Participates in union conventions by providing displays, giving speeches, taking part in panel discussions, and conducting workshops for those attending.

OLMS encourages union officials and members, as well as others affected by the LMRDA, to contact OLMS to discuss problems, file complaints if necessary, or seek information about the LMRDA.

Statutory Programs

When Federal funds are used to acquire, improve, or operate a transit system, Federal law requires arrangements to protect the rights of affected mass transit employees. The OLMS Division of Statutory Programs ensures that fair and equal arrangements are in place before the U.S. Department of Transportation's Federal Transit Administration (FTA) can release funds to grantees. The terms and conditions of the protective arrangements are included in the grantee's contract with FTA.

The requirement to protect mass transit employees is contained in Section 5333(b) of Title 49 U.S. Code (formerly Section 13(c) of the Federal Transit Act). Section 5333(b) specifies that arrangements must include the following: preservation of rights and benefits under existing collective bargaining agreements, continuation of collective bargaining rights, protection of individual employees against a worsening of their positions related to employment, assurances of employment to employees of acquired transit systems, priority of reemployment, and paid training or retraining programs.

An employee who believes that he or she has been adversely affected as a result of Federal transit assistance may file a claim under the procedures set forth in the certification approved by the Department of Labor. For additional information contact the U.S. Department of Labor, OLMS, Division of Statutory Programs, Washington, D.C. 20210 (or call (202) 219-4473).

Staff is available at all OLMS field offices to answer questions about the LMRDA and to assist union officers and others affected by the law's provisions. In addition, copies of the full text of the LMRDA, reports filed under the LMRDA, union constitutions, blank reporting forms and instructions, and explanatory pamphlets about the law may be obtained from any of the OLMS field offices located in the following cities:

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Atlanta, GA	(404) 562-2083	Denver, CO	(303) 844-1261	Miami, FL	(305) 653-7414	Philadelphia, PA	(215) 597-4960
*Birmingham, AL	(205) 731-0239	Detroit, MI	(313) 226-6200	Milwaukee, WI	(414) 297-1501	Pittsburgh, PA	(412) 395-6925
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Chicago, IL	(312) 353-7264	Honolulu, HI	(808) 541-2705	*New Haven, CT	(203) 773-2130	Seattle, WA	(206) 553-5216
Cincinnati, OH	(513) 684-6840	*Houston, TX	(713) 209-3135	New Orleans, LA	(504) 589-6174	*Tampa, FL	(813) 288-1314
Cleveland, OH	(216) 522-3855	Kansas City, MO	(816) 426-2547	New York, NY	(212) 337-2580	Washington, DC	(202) 254-6510
Dallas, TX	(214) 767-6834	Los Angeles, CA	(213) 252-7508	*Newark (Iselin), NJ	(908) 750-5661		

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